CONIFER HEALTH SOLUTIONS®

Food Employers Labor Relations Association

Annual Performance Review

Plan Year 2021

Executive Summary

Population Overview	▪ This report is based on paid claims data from January 1, 2021 through December 31, 2021, with historical data from January 1, 2020 through December 31, 2021. ▪ Current population consists of 9,834 employees (15,740 total covered lives) as of 12/31/2021. This represents an 8% decrease in total members compared to the prior plan year (17,025 on 12/31/2020) ▪ Medical claims increased approximately 8% in 2021 compared to 2020, while Rx claims increased 2%.
Engagement	▪ Overall engagement rate is 97% for PY 2021 which is well above industry standards and Conifer's Book of Business ▪ The able to reach percentage increased from 61% overall in PY 2020 to 79% PY 2021
Results	▪ Medical Management savings ratio is 4.43:1 for PY 2021 with the top categories including prevention of inpatient (IP) admissions and IP readmissions ▪ Members engaged during PY 2020 showed a 100% reduction in the risk trigger for 3 or more hospital admissions within 3 months for PY 2021 and 75% of members with Diabetes lowered their HgbA1c to within normal range ▪ Engaged members improved adherence to chronic disease management, tobacco use cessation, and recommended preventive screenings
Satisfaction	▪ 100% member satisfaction with the Personal Health Management program for PY 2021 ▪ Comments included: " I can't imagine going through what we have without our PHN on our side." "Easy to communicate with, always willing to assist with any health matter. It's because of her I was able to get my required medication!"

Today's Agenda

1. Executive Summary

2. Population Overview
   - **a. Key Indicators**
   - **b. Categories of Care (COCs)**
   - **c. Risk Stratification**

3. Personal Health Management (PHM)
   - a. Outreach
   - b. Cost Savings
   - c. Case Studies
   - d. Member Satisfaction

4. Appendix

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Monitoring Key Indicators

Members Eligible as of Q4.2021

- **Total Enrollment** began 2021 with 10,774 employees (17,196 members) and ended with 9,834 employees (15,740 members).
- **Medical PMPM -** increased 8% from 2020.
- **Rx PMPM –** year over year Rx claims had an increase of 2%. In 2021,
  - Generic drugs were utilized on 78% of prescriptions, but Brand drugs represented 83% of Rx expenses.
  - 90-day supply prescriptions represented 32% of total scripts and 26% of total Rx costs.
- **The top 3 drivers** of increased claims were infectious disease (e.g. COVID), breast cancer, and orthopedics.
- **High Cost Claimants –** in plan year 2021:
  - 380 claimants had over $50,000.
  - 29 claimants had over $250,000:
    - 24 remain on the plan at the end of 2021.
    - Two eclipsed the $1 million mark.
    - Overall engagement by High Cost Claimants over $250k was high, with 79% (23 of 29) engaging with Conifer's nurses.

Metric	PY 2020	PY 2021
Number of Employees – average	10,675	10,422
Number of Members - average	17,203	16,643
Medical PMPM	$305.26	$330.06
RX PMPM	$144.67	$147.54
Total PMPM	$449.93	$477.60
General Categories of Care PMPM		
Hospital Related	$176.28	$189.93
Professional	$122.01	$133.25
Other	$6.76	$6.66
Rx	$144.67	$147.54
High Cost Claimants		
Number of Claimants over $50,000	381	380
Number of Claimants over $250,000	26	29
Number of Claimants over $500,000	5	4
Number of Claimants over $1M	3	2
Largest Claimant Cost	$1,777,481	$1,287,929
Total Cost – All HCCs	$45,536,236	$46,127,344
HCCs % of Total Claims	48%	48%
HCCs % of Population	2.2%	2.2%

Monitoring Key Indicators *(continued…)*

Members Eligible as of Q4.2021

Predicted Trend	PY 2020		PY 2021		Δ
	#	%	#	%	
Number of Members	16,871	n/a	15,720	n/a	-1,151
Priority Risk	52	0.3%	52	0.3%	No change
High Risk	1,350	8.2%	1,535	9.8%	+185
Predicted to Spend $5,000+ in next 12 Months	5,888	34.9%	6,631	42.1%	+743
Prevalent Chronic Conditions	3,284	19.4%	3,397	21.6%	+113
High Cost Cancers	103	0.6%	117	0.7%	+14

- Priority and High Risk Members increased to 10.1% of the entire member population at the end of 2021.
  - The most common risk triggers for both the Priority and High Risk members are: $5k or higher in recent Rx claims, high predicted and/or recent Medical claims, readmission risks, and poor or ineffective utilization patterns
- Number of members currently predicted to spend $5,000 or more in 2021 increased to 42% of the population.
- The most prevalent chronic conditions remain hypertension, high cholesterol, obesity, and diabetes.
- Most prevalent diagnosed cancers include: breast, gastrointestinal, and colon.

Identifying Cost Drivers by Category of Care (COC)

Members Eligible as of Q4.2021

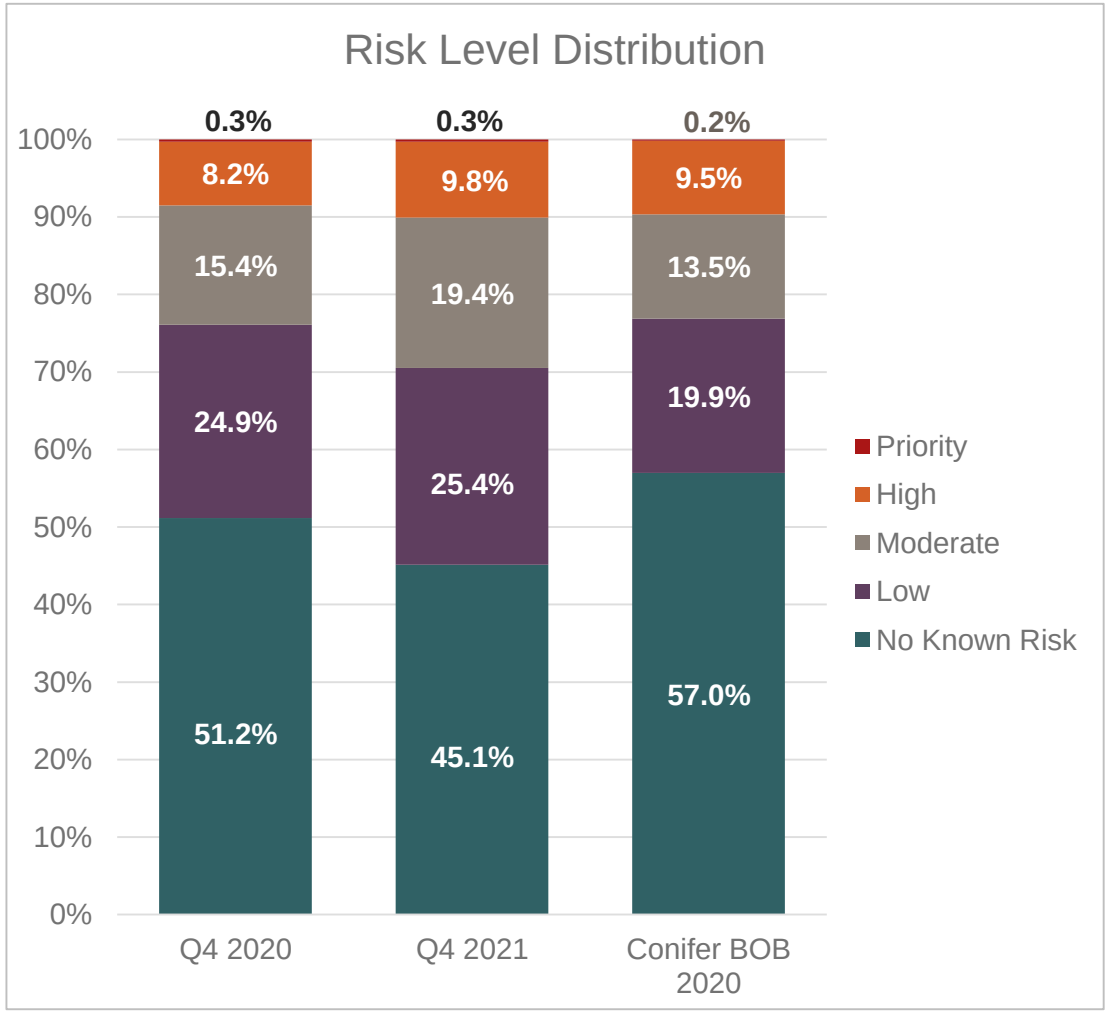
- **Inpatient Hospital** spend increased 4% year over year. Average admissions increased from 3.78 per 1000 covered lives to 4.03, although average days decreased from 25.13 per 1000 covered lives to 21.87.
- **Facility** costs increased 16% year over year, driven by an increase in outpatient services.
- **Evaluation & Management** costs increased 17%, mainly due to higher utilization of office visits and urgent care.
- **Emergency Room** costs increased 8%. ER visits increased from 12.9 visits per 1000 covered lives to 13.25.
- **In-network utilization** remained the same year over year at 98%.

Category of Care	PY 2020	PY 2021	Δ
Inpatient Hospital	$112.75	$117.18	+3.9%
Facility	$52.20	$60.50	+15.9%
Medicine	$35.45	$34.08	-3.9%
Evaluation & Management	$28.38	$33.33	+17.4%
Procedures	$25.46	$27.66	+8.6%
Outpatient Radiology	$18.95	$21.56	+13.7%
Emergency Room	$11.33	$12.25	+8.1%
Outpatient Laboratory	$5.56	$6.83	+22.8%
Anesthesia	$5.07	$5.90	+16.3%
Other Outpatient Services	$4.87	$4.35	-10.7%
Outpatient Pathology	$2.67	$3.16	+18.3%
Undefined Services	$1.89	$2.31	+22.2%
Ambulance	$0.47	$0.73	+78.0%
Totals – PMPM basis	**$305.26**	**$330.06**	**+8.0%**

Comparing Risk Stratification

Members Eligible as of Q4.2021

- Enrollment decreased approximately 8% from year end 2020 to 2021.
- The Priority Risk population remained the same from year end 2020 to 2021 (52 each year).
- The High Risk group increased from 8.2% of members to 9.8% year over year, and is above the Conifer BoB.
- The Moderate Risk group increased from 15.4% of members to 19.4% year over year, and is above Conifer's BoB.
- The Low Risk group remains fairly steady and is above Conifer's BoB.
- The Unknown Risk population fell in 2021, and is below Conifer's BoB; 26% of this population, or 1,872 members, has had no Medical or Rx claims filed in the past 12 months



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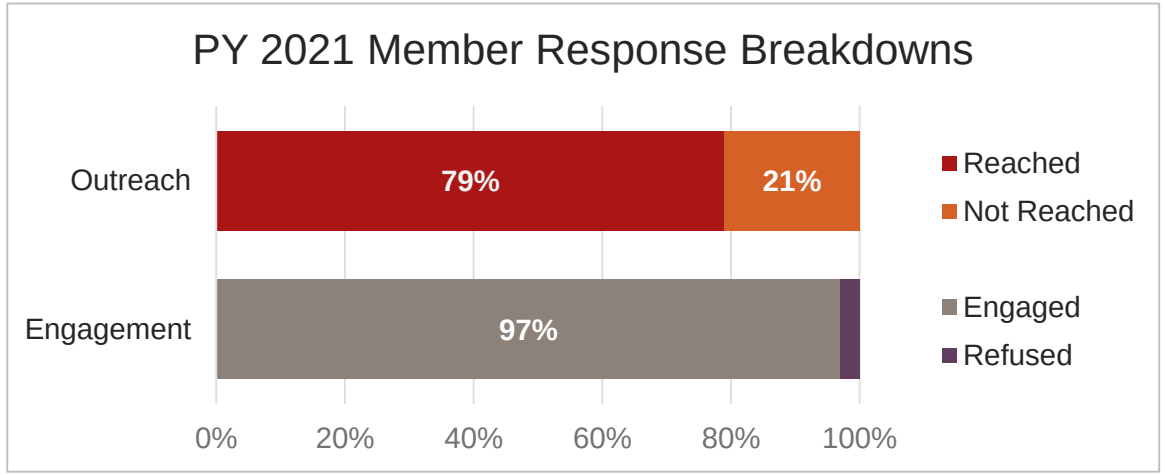
Targeting and Engaging Members

PY 2021

	Eligible	Outreached	Not Reached	Reached	Refused	Engaged
Number of Unique Members	16,871	998	273	783	43	740
Number of Episodes	NA	1,156	295	861	43	818
Total Healthcare Costs over Last 12 Months	$95M	$46.7M	$11M	$39.6M	$3.1M	$38.3M
Healthcare Costs/Member over Last 12 Months	$5.6K	$46.8K	$40.3K	$50.6K	$72K	$51.8K
Average High Risk Strat Score	90.45	124.06	125.56	125.94	114.87	126.65



Quarterly Engagement Trend

Q1-2021: 95%

Q2-2021: 97%

Q3-2021: 98%

Q4-2021: 96%

Note: See Appendix C for population definitions

Observing Outreach Members Who Do Not Engage

PY 2021

Not Reached N=273

Reasons	Utilization Risk Triggers	Primary Health Conditions	Average Health Care Costs	Ongoing Focus
• 2% unable to locate (i.e., bad number) • 98% no response (i.e. no answer)	• Predicted claims GT $25K • Prior medical claims GT 25K in prior 6 months • Unique prescribing provider interactions- 15+ in prior 12 months	• Hypertension • Hyperlipidemia • Obesity • Diabetes • COPD	• $40.3K per member in last 12 months	• Utilize providers, pharmacies, and online resources for contact information • Continue Introduction to MM letters with PHN bio linked

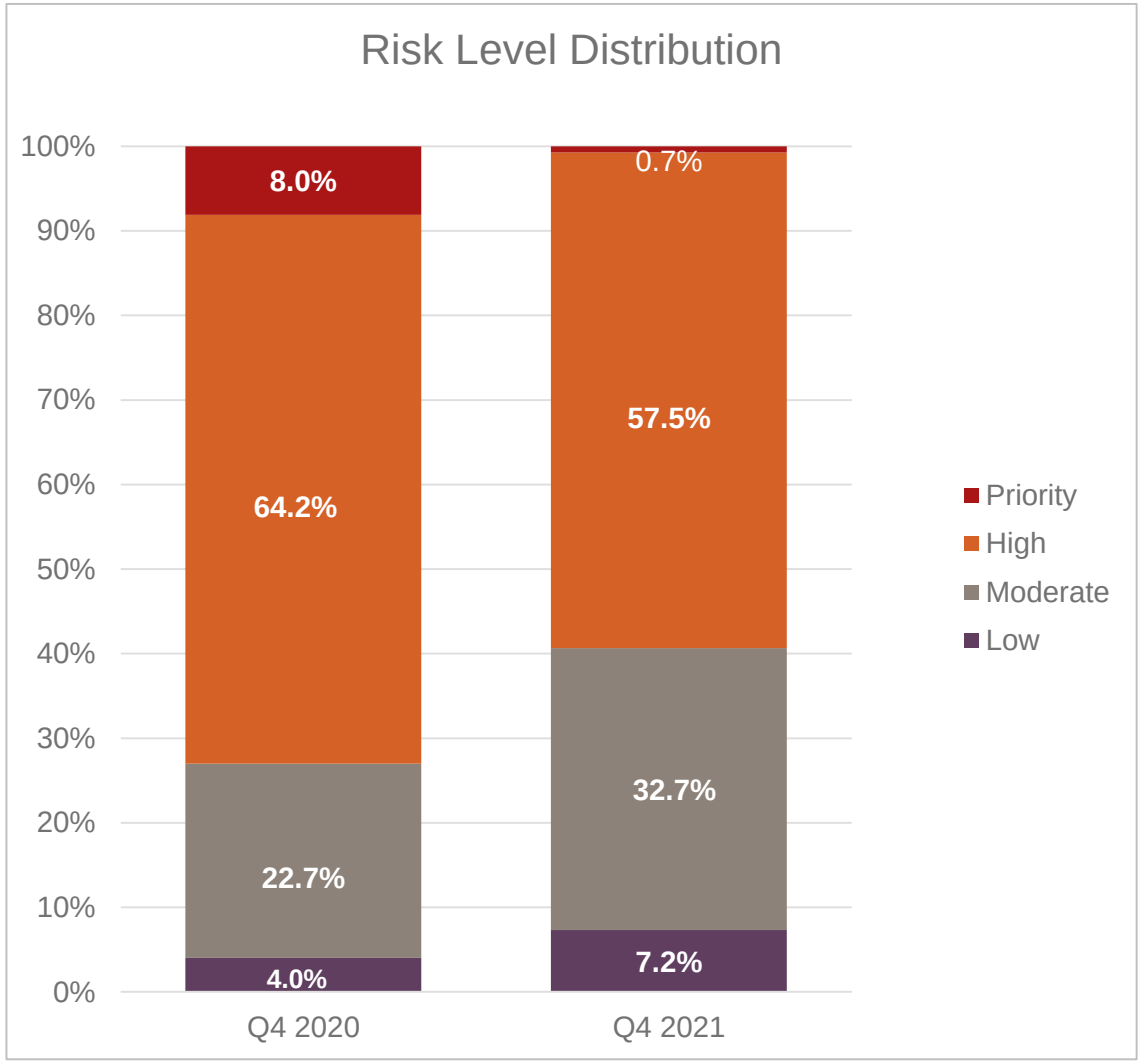
Refused N=43

Reasons	Utilization Risk Triggers	Primary Health Conditions	Average Health Care Costs	Ongoing Focus
• 63% feel conditions are well managed • 21% report no health needs at this time	• Readmission risk • Predicted claims GT $25K • Prior medical claims GT $25K in prior 6 months	• Coronary Artery Disease • Hypertension • Hyperlipidemia • Diabetes • Asthma	• $72K per member in last 12 months • 1 claimant passed away 8/2021- charted as “refused” • 2 other claimants had services already in place	• Adjusting clinical scripts based on reasons for refusal

Changing Modifiable Risk through Engagement

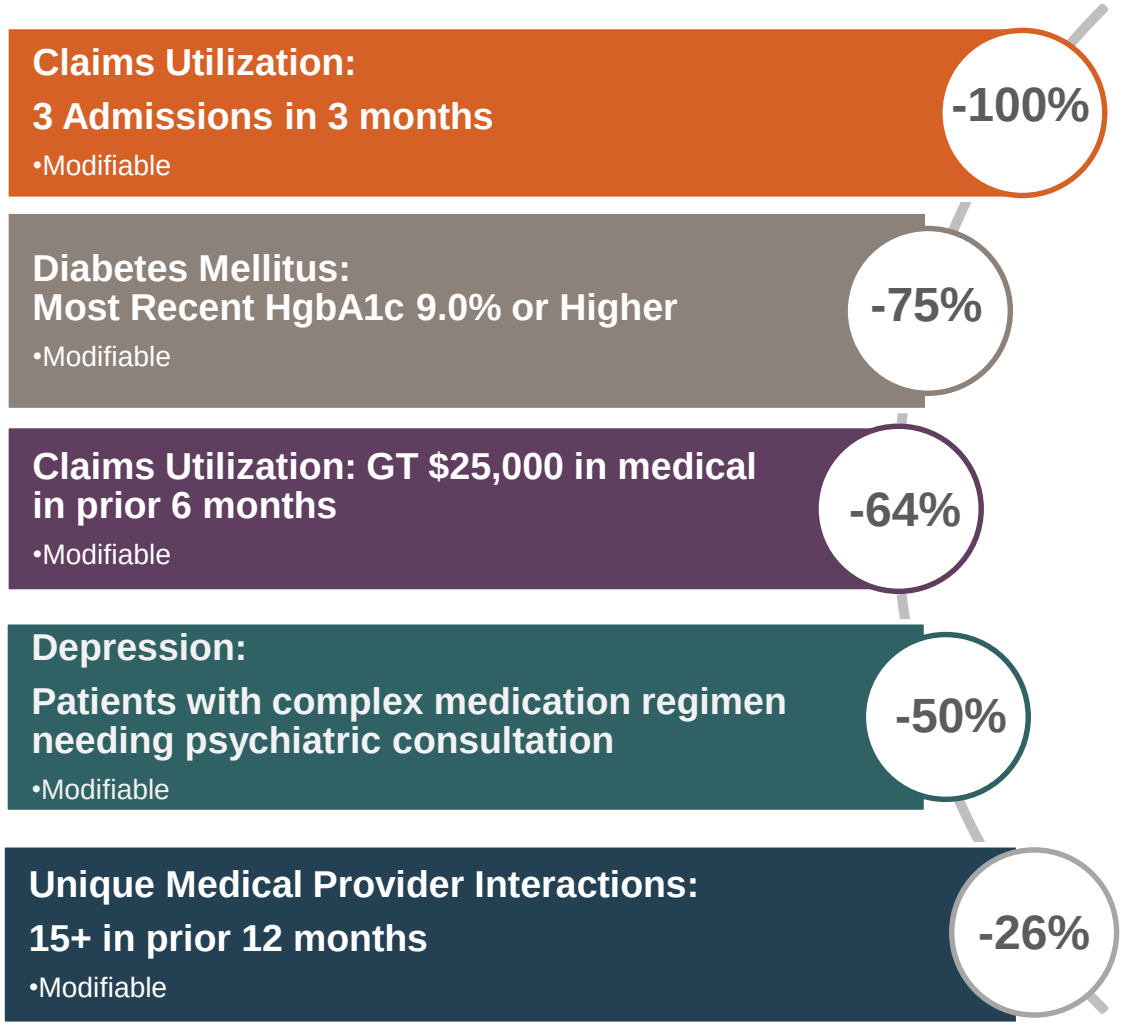
Members Engaged PY 2020 with Risk Stratification for PY 2020 v. PY 2021

- **High Risk** triggers for members engaged Q4 2020 decreased by 10.5% since engagement
  - The largest impact seen in members with triggers:
    - **100% decrease** in members with 3 admissions in 3 months
    - **75% decrease** in members who lowered their HgbA1c to within normal range
  - **Moderate Risk** and **Low Risk** members increased indicating these members are now appropriately seeking preventative medical care.



Identifying the Most Prevalent High Risk Triggers

Members Engaged PY 2020 with Risk Triggers for PY 2020 v. PY 2021



Interventions Driving Change

- Health education and resource coordination
- Complex diagnosis education and management
- Increased adherence with specialist visits and hospital follow up appointments
- Discharge planning assistance and follow up to ensure smooth transitions of care

Observations and Next Steps

- Risk triggers will be measured quarter over quarter for engaged members
- Continue to focus on preventive measures and coordination of care
- Focus education and interventions on decreasing members risks and proper utilization of benefits

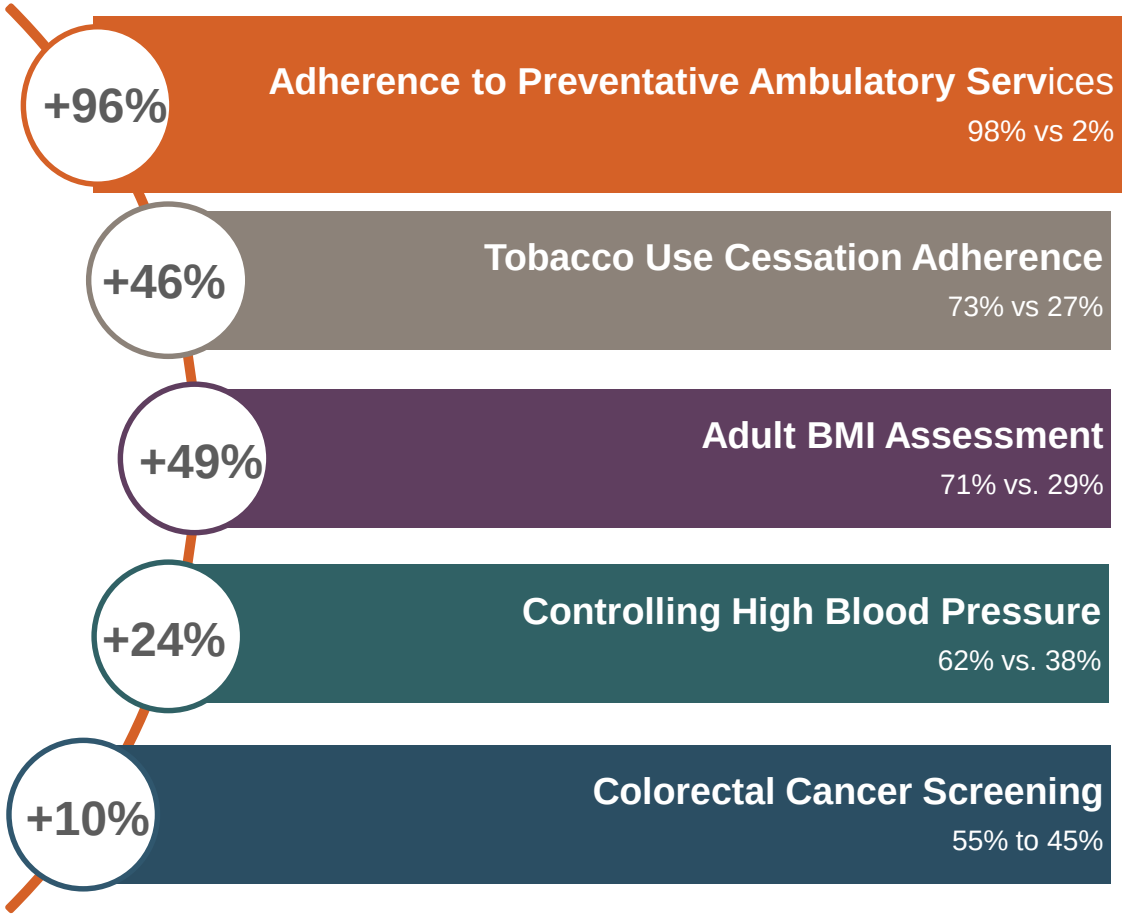
Monitoring Preventative Screening Adherence

Members Engaged PY 2021 vs. Total Population

The Personal Health Nurse impacts adherence to preventative screenings while managing members in acute or chronic medical management. There is still a potential to improve screening adherence for both groups.

Recommendations:

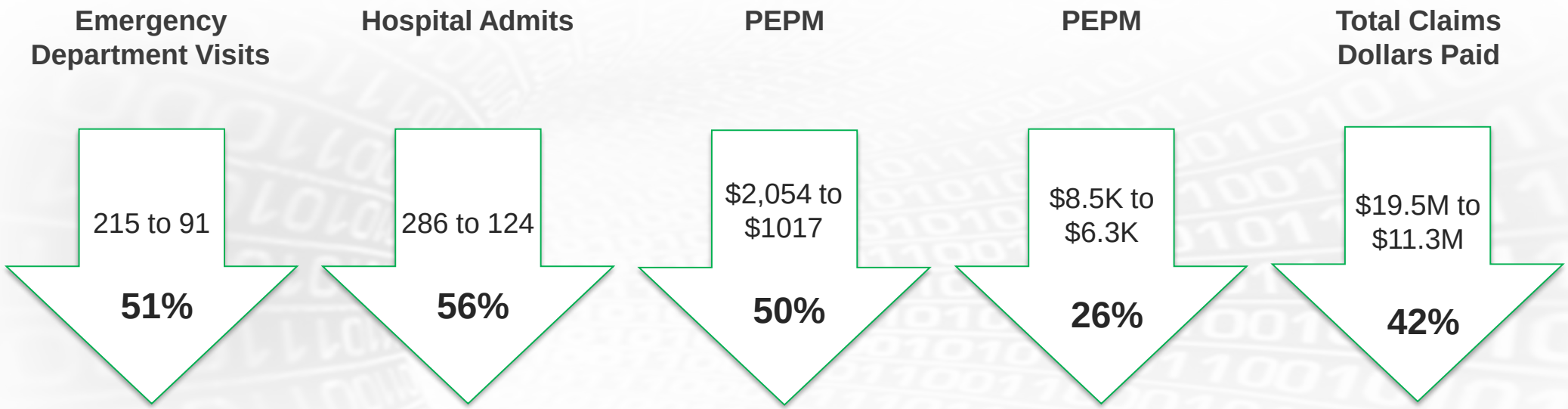
- Focus member **education** on the importance, benefits, and recommended frequency of preventative screenings
- Promote **assessment** of the benefit of completing preventative screenings and assist with appointment coordination.



Supporting Your Initiatives while Improving Outcomes

Members Engaged for 3+ Months with data from PY 2021 compared to PY 2020

Engaged members who participated for 3 months or more in PY 2021 built significant, lasting, trusting relationships. Nurse advocacy, education, and care coordination have driven significant improvement in the following outcomes:

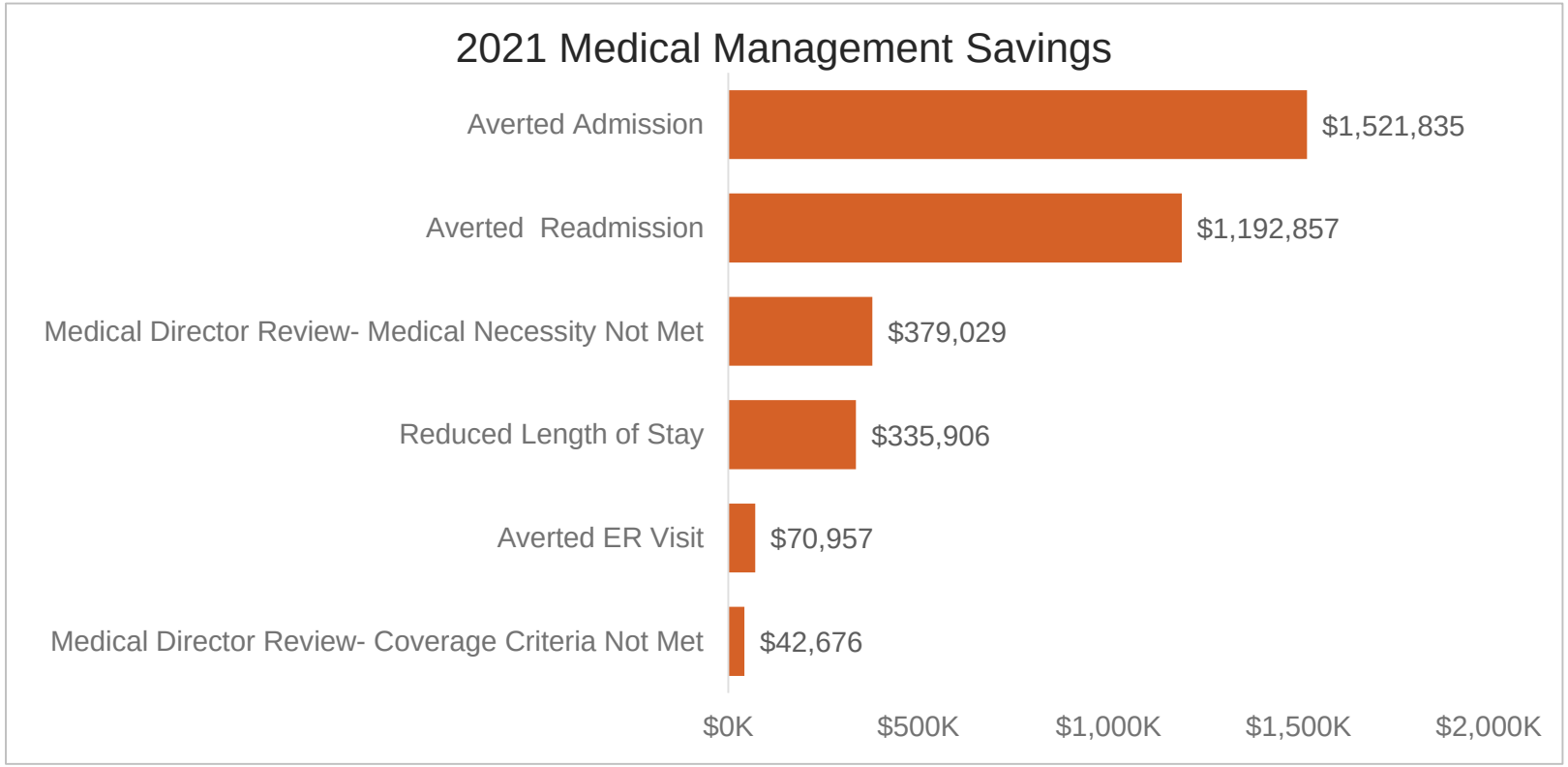


Note: Utilization values represented above are per 1,000 members

Saving on Services while Helping Members

PY 2021

Metric	PY 2020	PY 2021
Cost of medical management services	$846,959	**$812,075**
Savings from medical management services	$3,380,728	**$3,598,861**
Savings Ratio	3.99	**4.43**



Note: See Appendix D for cost savings description definitions

Going the Distance Every Day

Member Leaving the Hospital

- 68 year old female
- UR referral for GI Bleed, Acute Kidney Injury, Hypokalemia, Anemia
- Post abdominal resection with ileostomy

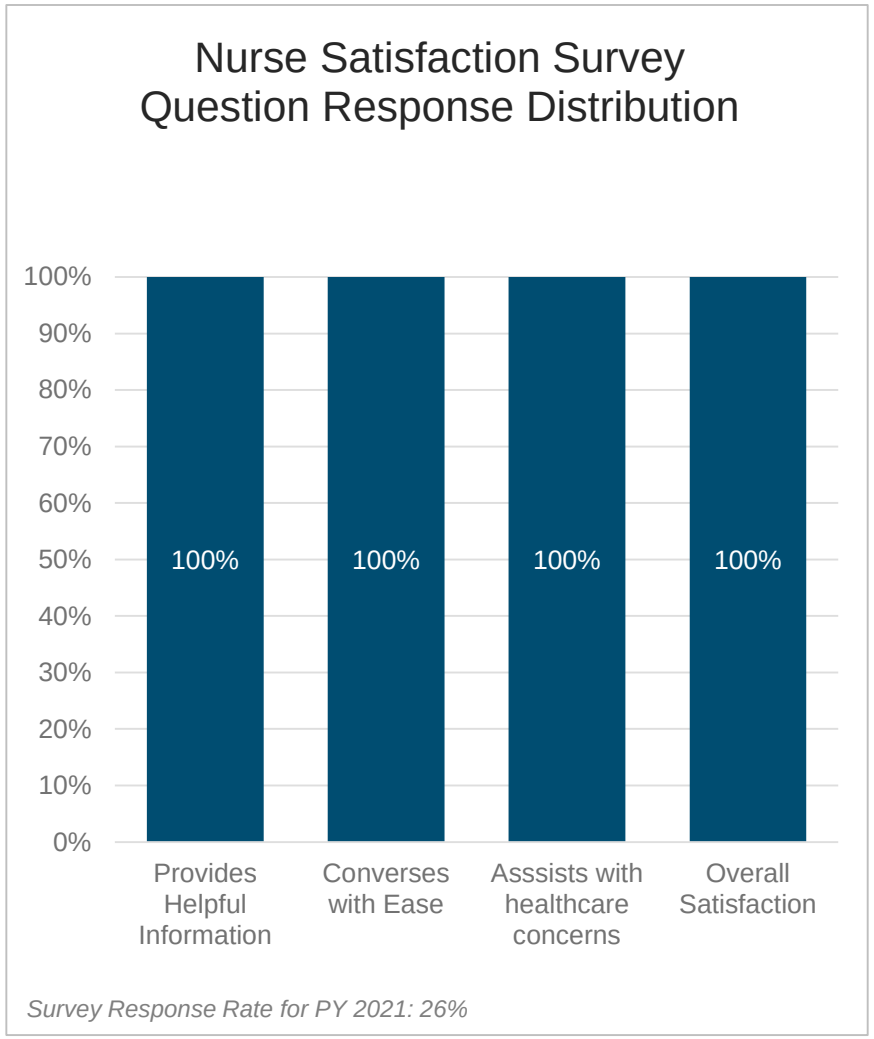
How a Conifer Nurse Helped

- **Timely outreach** to member prior to discharge
- **Coordinated** with facility to ensure member had home health visits set up prior to returning home
- **Identified** that member was prescribed new medications and educated his mother on taking as prescribed and possible side effects
- **Educated** member on risk for infection, wound care, DVT risk and prevention, ostomy care
- **Engaged** rehab facility discharge planner and coordinated IN therapy and follow up provider appointments after discharge
- **Collaborated** with providers related to treatment plan and recovery expectations

Members Results

- Post-op pain well managed and resolved
- Ambulating independently, no longer at risk for falling
- Adherent to follow up visits
- Home health visits completed without disruption
- Incision site healed without complications or infection

PY 2021: 100% Overall Member Satisfaction Rate



"Always available when we had questions and we definitely felt like we had someone who was advocating for us. Her kindness and knowledge was very appreciated!"

"[She] has been more than our health care nurse she is part of our family. Can't imagine going through what we have without her on our side. We are very blessed to have her on our side. Thank you Conifer!

"[My Nurse] is an asset to this company and very professional. Easy to communicate with, always willing to assist with any health matter. It's because of her I was able to get my required medication!"

"One in a million! She always took the time to clarify everything. She is the type of person you want to have in a doctors office but it doesn't ever happen. I am blessed to have her."

"Without her this journey would not have been possible. She went above and beyond at every turn to make sure our medical needs were met."

"My interactions with my PHN has been the best I've experienced bar none. The past 2 years has brought more medical issues than I've experienced my entire life. If I needed to reach out for information, she was there with very helpful information and assistances. She's been great!"

Working Together to Support Your Members

Focusing Our
Efforts

- Partnership to increase awareness and participation
- Chronic condition adherence
- Priority and high risk member outreach
- Continue to engage members identified from Utilization file feed

Moving Forward
Together

- Link Gaps in Care letter to Introduction Letters or possibly send as stand alone campaign
- Conifer contributions to Newsletter
- Possible post card campaign to the UTR/refused member or specific high risk populations

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Appendix A: Team Structure

		Interaction	
RVP, Senior Client Director	Scott Dever	**Operations** *Daily/Wkly*	Account lead, escalation point, manage performance and day-to-day, client-specific resource for Conifer team
Manager, Population Health	Allyson Pierce	**Daily**	Direct oversight of clinical operations and PHN team; Only resourced through Client Delivery request
Director, Population Health	Michele Hamilton	**Operations** *Wkly/Mthly/Qrtly*	Operational oversight of PHN teams
VP, Practice and Medical Management	Justin Berry	**Senior Leadership** *Qtrly/As needed*	Executive oversight of Client Delivery services; Executive oversight for Care Management / PHN services
Senior Executive Sponsor	Mary Bacaj		Executive oversight and highest level of escalation

Primary POC

Appendix B: Acronyms

Acronym	Expansion
A1C or HgbA1C	Hemoglobin A1c
ALOS	Average Length of Stay
BMI	Body Mass Index
BOB	Book of Business
CAD	Coronary Artery Disease
CHF	Congestive Heart Failure
COC	Category of Care
CMI	Case Mix Index
EBM	Evidence Based Medicine
ED	Emergency Department
EOS	Episode of Service
ER	Emergency Room
GT	Greater Than
ICD	International Classification of Diseases
IP	Inpatient
LDL	Low Density Lipids

Acronym	Expansion
LOS	Length of Stay
PEPM	Per Employee Per Month
PHM	Personal Health Management
PHN	Personal Health Nurse
ROI	Return on Investment
UM	Utilization Management

Appendix C: Glossary of Terms

Term	Definition
Case Mix Index (CMI)	a means to measure the relative health of a population where each Episode of Care (EOC) for a patient is assigned an Episode Treatment Grouping (ETG) and each ETG is assigned a relative value or weight to calculate the rate by summing the relative values for the population and then dividing that number by the number of episodes encountered for the population
Eligible	the total unique members who are eligible for medical management
Engaged	the total unique reached members who agreed to engaged in medical management
Hemoglobin A1c (HgbA1C)	Diabetic Control Measurement
ICD-10	patient diagnosis or procedure codes (i.e., ICD-10-CM or ICD-10-PCS, respectively); the 10th revision of the International Statistical Classification of Diseases and Related Health Problems (ICD), a medical classification list by the World Health Organization (WHO)
Not Reached	the total unique members who a personal health nurse (PHN) attempted to reach by phone but were either unable to locate (UTL) because of a bad phone number or were unresponsive and did not pick up the phone
Outreached	the total unique members who a personal health nurse (PHN) attempted to reach by phone and were either reached or not reached
Pending	the total unique triggered members a personal health nurse (PHN) is still attempting to reach by phone
Reached	the total unique triggered members with whom a personal health nurse (PHN) has spoken on the phone and who either agreed to engaged in medical management or refused to participate at the given time
Refused	the total unique reached members who refused to participate in medical management at the given time

Appendix D: Cost Savings Definitions

Cost Savings Description	Definition
Averted ER visit	Averted ER Visit category is appropriate when the Medical Management Nurse directly works with member/member caregiver to address acute health issue(s) to avoid need for emergent care.
Averted IP admission	Medical Management Nurse directly works with member/member caregiver and healthcare team to address acute health issue(s) that would likely result in an inpatient admission without intervention.
Averted Readmission	Averted Readmission category is appropriate when the Medical Management Nurse directly works with member/member caregiver and healthcare team following an acute inpatient admission. MMN is actively involved in the Transitions of Care process. MMN works with healthcare team to ensure discharge instructions are in place, and member safely transitions to home.

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